

**BUSINESS TAX**

Gen. Inst.

NEW HAMPSHIRE DEPARTMENT OF REVENUE ADMINISTRATION  
**GENERAL INSTRUCTIONS FOR FILING BUSINESS TAXES**

<b>WHO MUST FILE A BET RETURN</b>	<p>Every profit or non-profit enterprise or organization engaged in or carrying on any business activity inside New Hampshire which meets the following criteria, during the taxable period, must file a Business Enterprise Tax return:</p> <p>A. If your gross business receipts total was in excess of <b>\$150,000</b>, then you are required to file a BET return, regardless of B below; or</p> <p>B. If your <b>gross business receipts</b> total was <b>\$150,000</b> or less, use the following worksheet to determine if your enterprise value tax base is greater than <b>\$75,000</b>:</p> <table border="0"> <tr> <td>1. Total dividends paid:</td><td>1. \$ _____</td></tr> <tr> <td>2. Total compensation paid or accrued:</td><td>2. \$ _____</td></tr> <tr> <td>3. Total interest paid or accrued:</td><td>3. \$ _____</td></tr> <tr> <td>4. Sum of Lines 1, 2 and 3:</td><td>4. \$ _____</td></tr> </table> <p style="text-align: right;">If Line 4 is greater than <b>\$75,000</b>, you are required to file a BET return.</p> <p>C. Section 501(c)(3) of the IRC non-profit organizations are not required to file unless they engage in an unrelated business activity under Section 513 of the IRC.</p>	1. Total dividends paid:	1. \$ _____	2. Total compensation paid or accrued:	2. \$ _____	3. Total interest paid or accrued:	3. \$ _____	4. Sum of Lines 1, 2 and 3:	4. \$ _____
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<b>WHO MUST FILE A BPT RETURN</b>	<p>All business organizations, including corporations, fiduciaries, partnerships, proprietorships, combined groups, and homeowners' associations must file a Business Profits Tax return provided they are carrying on business activity inside New Hampshire and their gross business income from everywhere is in excess of \$50,000.</p> <p>"Gross business income" means all income for federal income tax purposes from whatever source derived including but not limited to: total sales, total rents, gross proceeds from the sale of assets, etc., before deducting any costs or expenses. <b>Even if there is no profit, a return must be filed when the gross business income exceeds \$50,000.</b> Combined filers should see NH-1120-WE General Instructions for additional filing requirements to file a combined report.</p> <p>Grantor Trusts: Income from Grantor Trusts (Section 671 of the US Internal Revenue Code) shall be included in the Business Profits Tax return of the owner(s).</p>								
<b>IDENTICAL FILING ENTITY</b>	<p>The return filed for the Business Enterprise Tax <b>MUST</b> reflect the identical business entity reported for Business Profits Tax purposes. There are separate booklets for corporate, combined group, partnership, proprietorship and fiduciary returns. Non-profit organizations and limited liability companies shall file using the form which corresponds to their entity structure. LLC's shall file using the same entity type as they use for their federal tax return. If a separate federal tax return was not required, then use the same entity type as the reporting member used.</p>								
<b>SEPARATE FILING THRESHOLDS</b>	<p>There are different filing criteria for the Business Enterprise Tax and the Business Profits Tax. You must determine whether or not you are required to file for each tax independent of your filing requirement for the other tax. <b>IF YOU ARE REQUIRED TO FILE EITHER TAX, THEN YOU MUST FILE A BUSINESS TAX SUMMARY. THE BUSINESS TAX SUMMARY VERIFIES AND UPDATES BOTH THE BUSINESS ENTERPRISE TAX AND/OR THE BUSINESS PROFITS TAX RETURNS. FAILURE TO FILE A BUSINESS TAX SUMMARY WILL CONSTITUTE AN INCOMPLETE FILING OF THE BUSINESS TAX RETURNS.</b></p>								
<b>WHEN TO FILE</b>	<p><b>Calendar Year:</b> If the business organization files its federal return on a calendar year basis, then the BET return and/or the BPT return is/are due and must be postmarked NO LATER than the date indicated on the BPT return.</p> <p><b>Fiscal Year:</b> If the business organization files its federal return on a fiscal year basis, then the business organization must file the BET return and/or the BPT return based on the same taxable period. The corporate returns are due and must be postmarked NO LATER than the 15th day of the third month following the close of the fiscal period. The proprietorship, partnership and fiduciary returns are due the 15th day of the 4th month following the close of the taxable period.</p> <p><b>For Non-Profit Organizations:</b> The returns are due and MUST be postmarked NO LATER than the 15th day of the fifth month following the close of the taxable period.</p>								
<b>EXTENSION TO FILE</b>	<p>New Hampshire does not require a taxpayer to file an application for an automatic 7-month extension of time to file provided that the taxpayer has paid 100% of both the Business Enterprise Tax <b>and</b> the Business Profits Tax determined to be due by the due date of the tax.</p> <p>If you need to make an additional payment in order to have paid 100% of the taxes determined to be due, then you may file your payment on-line at <a href="http://www.revenue.nh.gov">www.revenue.nh.gov</a> or file a payment and application for 7 month extension of time to file a business tax return, Form BT-EXT. The payment must be postmarked or received on or before the original due date of the return. <b>Failure to pay 100% of the taxes determined to be due by the original due date may result in the assessment of penalties.</b></p>								
<b>WHERE TO FILE</b>	<table border="0"> <tr> <td>MAIL TO:</td><td>NH DEPT OF REVENUE ADMINISTRATION DOCUMENT PROCESSING DIVISION PO BOX 637 CONCORD NH 03302-0637</td><td><b>FACSIMILE RETURNS ARE NOT ACCEPTED</b></td></tr> </table>	MAIL TO:	NH DEPT OF REVENUE ADMINISTRATION DOCUMENT PROCESSING DIVISION PO BOX 637 CONCORD NH 03302-0637	<b>FACSIMILE RETURNS ARE NOT ACCEPTED</b>					
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<b>NEED HELP</b>	<p>Call the Central Taxpayer Services Office at (603) 271-2191, Monday through Friday, 8:00 am - 4:30 pm. All written correspondence to the Department should include the taxpayer name, federal employer identification number or social security number, the name of a contact person and a daytime telephone number.</p>								
<b>NEED FORMS</b>	<p>To obtain additional forms or forms not contained in this booklet, you may access our web site at <a href="http://www.revenue.nh.gov">www.revenue.nh.gov</a> or call the forms line at (603) 271-2192. Copies of the state tax forms may also be obtained from any of the 22 Depository Libraries located throughout the State. (See page 2 for a list of Depository Libraries.)</p>								
<b>ADA COMPLIANCE</b>	<p>Individuals who need auxiliary aids for effective communications in programs and services of the New Hampshire Department of Revenue Administration are invited to make their needs and preferences known. Individuals with hearing or speech impairments may call TDD Access: Relay NH 1-800-735-2964</p>								

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<b>S-CORP FILERS</b>	New Hampshire treats subchapter "S" corporations as if they were "C" corporations. All S-corporations are required to complete Form DP-120, Computation of "S" Corporation Gross Business Profits. Returns filed without a Form DP-120 will be incomplete and may be returned to the taxpayer. S-corporations who make actual distributions to New Hampshire resident shareholders are required to file Form DP-9, Small Business Corporation (S-Corp) Information Report separately from the return.
<b>SINGLE MEMBER LIMITED LIABILITY COMPANIES</b>	<p>Single Member Limited Liability Companies (SMLLC) shall use Form DP-200 to apply for a New Hampshire Department of Revenue Administration assigned identification number. This form shall be filed at least 30 days prior to the filing of any other tax related document. SMLLC's are required by New Hampshire law to file a tax return even though the SMLLC does NOT file a separate federal tax return.</p> <p><b>ALL SMLLC's MUST USE A DEPARTMENT IDENTIFICATION NUMBER (DIN) WHEN FILING ANY AND ALL TAX RELATED DOCUMENTS.</b> Only if the SMLLC does <b>not</b> have a federal employer identification number; shares a taxpayer identification number with another taxpayer subject to taxation; or is not required to obtain a federal employer identification number, social security number or an individual taxpayer identification number issued by the Internal Revenue Service. This form must be filed 30 days prior to filing any other tax related documents.</p> <p><b>Your DIN shall be used in place of the entity's federal employer identification number. When filing all future documents, the DIN shall be entered wherever federal employer identification numbers or social security numbers are required.</b></p>
<b>ESTIMATED BPT &amp; BET PAYMENTS</b>	Every entity required to file a Business Profits Tax (BPT) return and/or a Business Enterprise Tax (BET) return must also make quarterly estimated tax payments for each individual tax for its subsequent taxable period, unless the <b>ANNUAL</b> estimated tax for the subsequent taxable period for each tax individually is less than \$200. However, if at the end of any quarter the estimated tax for the year exceeds \$200, an estimated tax payment must be filed. The quarterly estimates are 25% of the estimated tax liability. See the instructions with the Estimated Business Profits Tax Form for exceptions and penalties for noncompliance.
<b>DEPRECIATION AND RECONCILIATION</b>	<p>President George W. Bush signed PL 107-147, the "Job Creation and Worker Assistance Act," also known as the Economic Stimulus package and PL 108-27, Jobs Growth Tax Relief Reconciliation Act of 2003. Under the law, there was a change to federal business taxpayer filings for 2001- 2004 calendar year returns which included bonus depreciations of the cost of capital assets placed in service between September 10, 2001 and January 1, 2005. (January 1, 2006, for certain assets).</p> <p>The New Hampshire Legislature has not changed the current business tax law to conform with the federal tax law changes. The Internal Revenue Code (IRC) reference remains the Code <b>in effect on December 31, 2000</b>. Therefore, if these changes are used on your federal filing, business taxpayers must recalculate their New Hampshire gross business profits. Since, under current New Hampshire law, the bonus depreciation and the additional IRC Section 179 expense is not allowable, business taxpayers will have to adjust the taxable income reported on their federal return before reporting their gross business profits on their New Hampshire business tax return. The adjustment will require the removal of the federal depreciation and IRC Section 179 expense authorized under the "Job Creation and Worker Assistance Act" and only allow depreciation and IRC Section 179 expense as provided under the IRC in effect on December 31, 2000.</p> <p>Schedule R has been provided in this booklet for each business entity to assist in recalculating their New Hampshire Gross Business Profits. The completed Schedule R must be filed with the corresponding New Hampshire Business Tax return.</p>
<b>REFERENCES TO FEDERAL FORMS</b>	All references to federal tax forms and form lines are based on draft forms available at the time the state forms were printed. If the federal line number and description do not match, follow the line description or contact the Department at (603) 271-2191.
<b>ATTACH FEDERAL SCHEDULES/ FORMS</b>	All Business Profits Tax returns must be accompanied by a complete and legible copy of the federal income tax return or other appropriate federal forms, consolidating schedules and supporting schedules. The corporate return must have the federal Form 1120, pages 1, 2, 3 and 4 and all schedules. Corporations may submit the consolidating and supporting schedules <b>ONLY</b> using a Compact Disc (CD) in a PDF or PDF compatible format. The proprietorship return must have federal schedules C, D, E, F, Form 4797 and Form 6252, if applicable. The partnership return must have the federal Form 1065, pages 1,2,3, and 4 and applicable schedules. The fiduciary return must have the federal Form 1041, pages 1, 2, 3 and 4, and applicable schedules. Failure to attach all federal schedules as required shall be deemed a failure to file a New Hampshire return and may subject the taxpayer to penalties.
<b>CONFIDENTIAL INFORMATION</b>	<p>Disclosure of federal employer identification numbers and social security numbers is mandatory under New Hampshire Department of Revenue Administration rules 203.01, 221.02, 221.03. This information is required for the purpose of administering the tax laws of this state and authorized by 42 U.S.C.S. § 405 (c) (2) (C) (i).</p> <p>Tax information which is disclosed to the New Hampshire Department of Revenue Administration is held in strict confidence by law. The information may be disclosed to the United States Internal Revenue Service, agencies responsible for the administration of taxes in other states in accordance with compacts for the exchange of information, and as otherwise authorized by New Hampshire Revised Statutes Annotated 21-J:14.</p> <p>The failure to provide federal employer identification numbers and social security numbers may result in the rejection of a return or application. The failure to timely file a return or application complete with social security numbers may result in the imposition of civil or criminal penalties, the disallowance of claimed exemptions, exclusions, credits, deductions, or an adjustment that may result in increased tax liability.</p>
<b>AMENDED RETURNS</b>	<p>If you discover an error was made on your BET and/or BPT return(s) after they were filed, amended returns should be promptly filed by completing a corrected Form BT-SUMMARY and the appropriate BET and/or BPT returns. You should check the "AMENDED" block in STEP 2 on the Business Tax Summary. <b>AMENDED RETURNS MUST HAVE ALL APPLICABLE SCHEDULES AND FEDERAL PAGES ATTACHED TO BE DEEMED A COMPLETE AMENDED RETURN.</b> For changes made by the Internal Revenue Service for this year, please see STEP 2 on the Business Tax Summary.</p> <p>If you need to amend prior year BET and/or BPT return(s) and you need forms, you may access our web site at <a href="http://www.revenue.nh.gov">www.revenue.nh.gov</a> or please call the forms line at (603) 271-2192.</p> <p>You may not file an amended return for New Hampshire Net Operating Loss (NOL) carryback provisions.</p>
<b>ROUNDING OFF</b>	Money items on all Business Enterprise Tax and Business Profits Tax forms may be rounded off to the nearest whole dollar.
<b>FILING SEQUENCE</b>	Please file the applicable schedules in the following order sequence: BT-Summary, BET, BET-80, Schedule R, BPT return (NH-1040, NH-1041, NH-1065, or NH-1120), DP-80, DP-2210/2220, DP-132, DP-160, DP-120, and then the appropriate federal pages.